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CAR AND LIGHT TRUCK FLEET AND LEASING MANAGEMENT MAGAZINE

1992 Sneak Preview

- New Cars and Trucks
- Lessor Selectors
- Latest Fleet Incentives

Plus

When Not to Dual Lessors

How GE is Integrating LMV

Class 3-4 Sales Surge

1992 Chrysler New Yorker Fifth Avenue and New Yorker Salon

automotive
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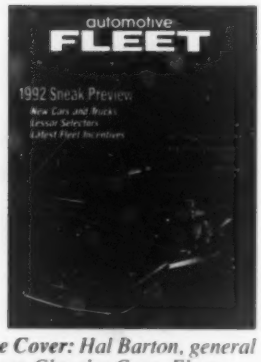
CAR AND LIGHT TRUCK FLEET AND LEASING MANAGEMENT MAGAZINE

August 1991
VOL. 30, NO. 10

Influencing the management of 5,072,000 cars and 2,209,000 light trucks and vans in business, leasing, rental, utility, government, police, and taxi fleets.

Page 32 — The all-new Ford Crown Victoria and other new models are profiled in this month's sneak preview of 1992-model year offerings.

Page 96 — The Mitsubishi Fuso FE is an example of the growing product availability in the Class 3-4 segment.



***On the Cover:** Hal Barton, general manager, Chrysler Corp. Fleet Operations, is shown with the 1992 Chrysler New Yorker Fifth Avenue and New Yorker Salon.*

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Safety is the buzzword for the next model year.

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77 **GM Sponsors First-Ever Fleet Safety Symposium**
General Motors invited representatives from more than 100 fleets to attend an intensive two-day fleet safety meeting.

80 **Multiple Lessors May Mean Multiple Problems**
Last month, AF presented the view in favor of using multiple lessors. This article presents the opposite opinion.

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Fleet managers in control of more than a half-million vehicles respond to NAFA's annual survey.

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A new diagnostic tool allows technicians to plug directly into a vehicle's on-board computers.

92 **1992-Model Year Car Specifications**
A model-by-model rundown by class showing the dimensions and specs of popular fleet vehicles.

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96 **What's Behind the Sales Surge in Class 3-4 Trucks?**
Class 3-4 truck sales have risen from less than 10,000 in 1980 to now more than 60,000 annually. Here's an explanation.

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Survey Shows Corporate Fleet Personal Use Policies

Conducted by the National Association of Fleet Administrators, the 1991 Personal Use Survey presents the views of fleet managers responsible for more than a half-million vehicles.

The 1991 Personal Use Survey conducted by the National Association of Fleet Administrators (NAFA) represents personal use policy responses of 405 fleet managers controlling 525,333 vehicles, 259,813 of which are company-owned vehicles and 265,520 of which are leased. Returned questionnaires represent 23 percent of the association's membership, who manage corporate fleets in such diverse industries as finance and banking, foods and beverages, drugs and cosmetics, as well as many others. Also shown are the responses from fleet managers of public utilities, and governmental fleets.

When defining the factors governing the assignment of fleet-provided vehicles, 60 percent of corporate fleet managers say that job function is most important. Job title was second at 58 percent, and this is the factor that determines the assignment of vehicles eligible for personal use at Cox Enterprises, Inc., where Patsy Brownson, certified automotive fleet manager, is the fleet administrator. "Job title is the deciding factor. We have a lot of controllers, general sales managers, and other executives out in the field who are driving a total of 500 cars all together. All other vehicles are not personal use vehicles, and are parked at our locations each night," explains Brownson.

Does Your Company Allow Personal Use of a Fleet Vehicle by Employees?

	% yes	%no
Corporate	95	5
Public Utility	54	46
Government	36	64
Other	80	20
All Fleets	**85**	**15**

Personal use is allowed in 95 percent of all corporate fleets, according to the survey and 93 percent of corporate respondents say that personal use is allowed at all times or whenever necessary.

Are Employees Charged for Personal Use of a Fleet Vehicle?

	% yes	%no
Corporate	89	11
Public Utility	92	8
Government	43	57
Other	81	19
All Fleets	**86**	**14**

Although Cox' fleet has no specific policy on members of the employee's family using a company-provided vehicle, Brownson says there is an informal one. "We try to limit it to the spouse of the employee or anyone in the family 21 or older," says Brownson. "We really haven't had any problems with that." The practice of allowing family members to operate company-provided vehicles seems to be the norm among corporate fleets, with only 13 percent of the corporate respondents saying that it's "employee only" when it comes to personal use. The employee's spouse is authorized to use the vehicle, according to 78 percent of respondents, and licensed children also are allowed to use the vehicle at the companies of 29 percent of the respondents.

When it comes to personal use mileage, Cox Enterprises' average

Under Which Conditions May a Fleet Vehicle be Driven for Personal Use?

1 = At all times / Whenever necessary; 2 = Only to and from work; 3 = Only while working; 4 = Only on weekends and holidays; 5 = Only on vacations; 6 = Other

	1	2	3	4	5	6
Corporate	93%	3%	*	*	*	3%
Public Utility	69%	23%	0	0	0	8%
Government	27%	66%	0	0	0	7%
Other	82%	5%	0	3%	0	10%
All Fleets	**88%**	**7%**	*	**1%**	*	**4%**

* = Less than 0.5% of respondents

What Factors Govern Assignment of Fleet-Provided Vehicles?

1 = Annual business miles driven
2 = Fringe benefit
3 = Job title
4 = Job function
5 = Other

	1	2	3	4	5
Corporate	41%	19%	58%	60%	5%
Public Utility	42%	17%	42%	71%	4%
Government	33%	20%	52%	83%	13%
Other	30%	28%	55%	68%	6%
All Fleets	**39%**	**20%**	**56%**	**64%**	**6%**

How Many Miles Per Month is Your Typical Fleet Vehicle Driven?

Corporate	2,087
Public Utility	1,478
Government	1,318
Other	2,022
All Fleets	**2,024**

How Many Miles of This Is for Personal Use?

Corporate	352
Public Utility	568
Government	131
Other	346
All Fleets	**350**

Personal Use of Alternate-Fueled Vehicles

The Northrop Corp. in Hawthorne, CA, allows the drivers of its company-sponsored, alternate-fueled van pool program to use the propane-powered vehicles for personal use. "Any Northrop employee can sign up to participate in our van pools," says Lynn Cariaso, van pool administrator for Northrop. "And anyone can sign up to be a van-pool driver. Drivers are allowed 200 free miles of personal use per month, as compensation for keeping the van fueled, cleaned, filling out paperwork, reporting any problems with the vehicle, and also taking it home at night." Drivers must also obtain a Class B license, which allows them to operate vehicles carrying 12 or more passengers, pass a DMV physical, and have a clean driving record. Northrop has 137 vehicles in its van-pool program, with approximately 125 vans already in use on a van pool route. The vans are virtually the only vehicles that Northrop authorizes for personal use, and all other Northrop vehicles are either left at Northrop facilities at night or assigned to executives or salespeople who are instructed that personal use of these vehicles must be kept to a minimum. Because the vans are propane fueled, drivers do not have to pay for any of their personal-use fuel unless they exceed the maximum monthly mileage, after which they pay a per-mile fee for personal use. "It works out to approximately 27 cents per mile," explains Cariaso. "Passengers in the pool also have a fee deducted from their salaries to help defray costs, because the van pool is considered a form of compensation by the IRS."

How Do You Determine What to Charge Employees for Personal Use of a Fleet Vehicle?

1 = Annual lease value
2 = Average cents per mile expense
3 = Total fleet average
4 = Other

	1	2	3	4
Corporate	39%	21%	10%	30%
Public Utility	33%	25%	0	42%
Government	0	29%	0	71%
Other	42%	9%	6%	43%
All Fleets	**38%**	**20%**	**9%**	**33%**

is much higher than that of the survey, primarily because its vehicles are viewed as "perk" cars. "A ballpark estimate for personal use mileage is around 45-50 percent of total mileage," says Brownson, while NAFA's survey shows that the personal use mileage average for all suveyed fleets is 18 percent of total mileage.

Drivers of Cox Enterprises executive-assigned vehicles still have to pay for their personal use of company vehicles, however, as is the case at 89 percent of the respondents' companies.

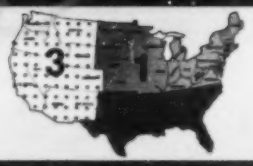
Cox also uses the most common method among survey respondents for determining the value of personal use: annual lease value (38 percent). "Employees are taxed once a year based on the vehicle's annual lease value," explains Brownson. "The amounts they are charged for personal use are all based on IRS guidelines. Drivers track their own mileage, break it down between business and personal use then fill out a form and send it in to us and then we do the required calculations. A personal use program actually can be fairly time-consuming and complicated, mainly because of all the regulations and paperwork involved. There are several different areas to take care of — payroll taxes and income, and all the different calculations."

Just as when vehicles are used for business use, there is always a chance that the driver will be involved in an accident while driving the vehicle for personal use. Only 28 percent of corporate fleets say that they charge for any portion of repair costs resulting from accidents during personal use, while the clear majority (72 percent) say they do not, as is the case at Cox Enterprises. "Accidents are treated just as they are when they occur during company business," says Brownson. "The company doesn't charge anything back for repair or damage amounts."

Other results of the personal use survey show that most corporate respondents simply use the cost of the vehicle to determine its fair market value (55 percent); and that corporate fleets typically charge a flat per-mile charge for personal use (46 percent). Other survey results indicated that employees who use their personal vehicles for business are reimbursed typically by a per-mile rate (85 percent); and that only seven percent of corporate fleets have been audited by the Internal Revenue Service, and that the audit included the fleet's personal use policies. AF

USED-CAR PRICES

The following are average used-car prices for the period ending July 10,1991. Prices are based on wholesale activity at major dealers across the country. They are divided into three zones as indicated on the accompanying map. These averages are calculated electronically. They are based on clean cars only. Proper allowance should be made for upgrading sharp cars and proper deduction taken for fair cars. Automatic transmissions have been included in the averages of all models. This information is published in *Automotive Fleet* by special permission of *Automotive Market Report*.



Model	AVERAGE AUCTION PRICE Zone 1	Zone 2	Zone 3
89 BUICK SKYHAWK			
Coupe	5,623	5,678	5,506
Sedan	5,700	5,758	5,586
88 BUICK SKYHAWK			
Coupe	4,585	4,634	4,492
Sedan	4,650	4,696	4,558
90 BUICK SKYLARK			
Cust Sedan	7,810	7,887	7,655
89 BUICK SKYLARK			
Cust Sedan	6,569	6,636	6,440
90 BUICK CENTURY			
Cust Sedan	8,419	8,503	8,249
89 BUICK CENTURY			
Cust Sedan	6,599	6,665	6,466
90 BUICK LESABRE			
Cust Sedan	10,807	10,917	10,594
89 BUICK LESABRE			
Cust Sedan	8,419	8,502	8,248
90 CADILLAC DEVILLE			
Coupe	17,580	17,755	17,229
Sedan	17,758	17,937	17,404
89 CADILLAC DEVILLE			
Coupe	14,646	14,792	14,355
Sedan	14,807	14,957	14,511
90 CADILLAC SEVILLE			
Sedan	18,047	18,226	17,685
89 CADILLAC SEVILLE			
Sedan	14,910	15,060	14,611
90 CHEVY BERETTA			
Coupe	7,862	7,941	7,704
89 CHEVY BERETTA			
Coupe	6,621	6,688	6,488
90 CHEVY CORSICA			
Hatchback 5 Dr.	7,539	7,617	7,391
89 CHEVY CORSICA			
Hatchback 4 Dr	6,202	6,265	6,078
90 CHEVY CAVALIER			
Sedan	5,875	5,932	5,756
89 CHEVY CAVALIER			
Sedan	5,193	5,244	5,089
89 CHEVY CELEBRITY			
Sedan	5,982	6,042	5,861
88 CHEVY CELEBRITY			
Sedan	4,765	4,813	4,670
90 CHEVY CAPRICE			
Sedan	8,579	8,666	8,409
89 CHEVY CAPRICE			
Sedan	6,738	6,807	6,603
90 CHRYSLER LEBARON			
Sedan	9,507	9,602	9,318
89 CHRYSLER LEBARON			
Highline Sedan	6,379	6,441	6,248
90 CHRYSLER NEW YORKER			
Salon Sedan	11,322	11,437	11,097
89 CHRYSLER NEW YORKER			
Sedan	9,660	9,754	9,466
89 CHRYSLER FIFTH AVENUE			
Sedan	9,762	9,854	9,563
88 CHRYSLER FIFTH AVENUE			
Sedan	7,635	7,711	7,481
89 DODGE ARIES AMERICA			
Sedan	4,749	4,795	4,651
88 DODGE ARIES AMERICA			
Sedan	3,722	3,759	3,647
90 DODGE SHADOW			
Liftbk 5 Dr	6,482	6,548	6,355
89 DODGE SHADOW			
Liftbk 5 Dr	5,347	5,398	5,242
90 DODGE DYNASTY			
Sedan	8,772	8,860	8,598
90 FORD ESCORT			
Htchbk 4 Dr LX	5,614	5,672	5,501
89 FORD ESCORT			
Htchbk 4 Dr LX	4,492	4,537	4,403
90 FORD MUSTANG			
LX-4 Coupe	7,455	7,532	7,308
89 FORD MUSTANG			
LX-4 Coupe	6,022	6,081	5,902
90 FORD TEMPO			
GL Sedan 4 Dr	6,707	6,775	6,572
89 FORD TEMPO			
GL Sedan 4 Dr	5,345	5,399	5,237
90 FORD TAURUS			
GL Sedan 4 Dr	9,232	9,325	9,049
89 FORD TAURUS			
GL Sedan 4 Dr	6,949	7,019	6,806
90 FORD CROWN VICTORIA			
Sedan	10,834	10,943	10,616
89 FORD CROWN VICTORIA			
Sedan	8,841	8,930	8,666
90 THUNDERBIRD			
Coupe	9,698	9,795	9,504
89 THUNDERBIRD			
Coupe	8,210	8,291	8,046
90 LINCOLN			
Town Car Sedan	18,072	18,252	17,712
Mark VII LSC Coupe	17,264	17,436	16,918
Continental Sedan	16,527	16,693	16,196
89 LINCOLN			
Town Car Sedan	13,349	13,484	13,082
Mark VII LSC Coupe	14,316	14,459	14,032
Continental Sedan	14,249	14,392	13,965
90 MAZDA 626			
LX Sedan 4 Dr	10,332	10,435	10,229
90 MERCURY COUGAR			
LS Coupe	10,347	10,449	10,136
89 MERCURY COUGAR			
LS Coupe	8,755	8,842	8,580
90 MERCURY TOPAZ			
GS Sedan 4 Dr	6,869	6,941	6,736
89 MERCURY TOPAZ			
GS Sedan 4 Dr	5,487	5,543	5,379
90 MERCURY SABLE			
GS Sedan 4 Dr	9,321	9,413	9,133
89 MERCURY SABLE			
GS Sedan 4 Dr	7,003	7,072	6,861
90 MERCURY GRAND MARQUIS			
GS Sedan	11,293	11,406	11,069
89 MERCURY GRAND MARQUIS			
GS Sedan	9,372	9,466	9,185
90 MITSUBISHI MIRAGE			
Sedan 4 Dr	6,209	6,271	6,147
89 MITSUBISHI MIRAGE			
Sedan	4,725	4,772	4,678
90 NISSAN MAXIMA			
SE Sedan	14,622	14,769	14,474
89 NISSAN MAXIMA			
SE Sedan	12,204	12,326	12,081
90 NISSAN SENTRA			
Sedan 2 Dr	5,549	5,603	5,492
89 NISSAN SENTRA			
Sedan 2 Dr	4,261	4,304	4,218
90 NISSAN STANZA			
XE Sedan	9,245	9,337	9,152
89 NISSAN STANZA			
Ntch 4 Dr	7,897	7,976	7,819
90 OLDS CIERA			
Coupe	8,485	8,571	8,315
Sedan	8,127	8,211	7,966
89 OLDS CIERA			
Coupe	6,525	6,592	6,395
Sedan	6,599	6,665	6,466
90 OLDS CALAIS			
Sedan	6,942	7,011	6,804
89 OLDS CALAIS			
Sedan	6,022	6,082	5,902
90 OLDS CUTLASS SUPREME			
Coupe	9,370	9,463	9,198
89 OLDS CUTLASS SUPREME			
Coupe	7,507	7,585	7,359
90 OLDS 98 REGENCY			
Sedan	13,625	13,763	13,353
89 OLDS 98 REGENCY			
Sedan	10,418	10,523	10,208
89 PLYMOUTH RELIANT			
Sedan	4,724	4,772	4,631
88 PLYMOUTH RELIANT			
Sedan	3,722	3,758	3,649
90 PLYMOUTH SUNDANCE			
Liftbk 4 Dr	6,482	6,548	6,355
89 PLYMOUTH SUNDANCE			
Liftbk 4 Dr	5,347	5,398	5,242
89 PLYMOUTH GRAN FURY			
Salon Sedan	4,928	4,979	4,830
88 PLYMOUTH GRAN FURY			
Salon Sedan	3,880	3,919	3,806
90 ACCLAIM			
Sedan	7,403	7,477	7,256
90 PONTIAC SUNBIRD			
LE Sedan	6,673	6,738	6,450
SE Coupe	6,583	6,647	6,537
89 PONTIAC SUNBIRD			
LE Sedan	5,542	5,597	5,358
SE Coupe	5,467	5,521	5,430
90 PONTIAC 6000			
LE Sedan	8,384	8,469	8,212
89 PONTIAC 6000			
Sedan	6,212	6,271	6,086
90 PONTIAC GRAND AM			
LE Sedan	7,788	7,867	7,633
89 PONTIAC GRAND AM			
Sedan	6,491	6,556	6,362
90 PONTIAC BONNEVILLE			
LE Sedan	10,909	11,019	10,692
89 PONTIAC BONNEVILLE			
LE Sedan	8,381	8,463	8,215
90 PONTIAC GRAND PRIX			
Coupe	9,583	9,678	9,390
89 PONTIAC GRAND PRIX			
Coupe	7,683	7,760	7,529
90 TOYOTA CAMRY			
Sedan 4 Dr Deluxe	9,752	9,850	9,655
89 TOYOTA CAMRY			
Sedan 4 Dr Deluxe	8,073	8,153	7,993
90 TOYOTA COROLLA			
Sedan 4 Dr Deluxe	7,184	7,255	7,111
89 TOYOTA COROLLA			
Sedan 4 Dr Deluxe	6,312	6,374	6,249
90 TOYOTA CRESSIDA			
Lux Sedan	15,536	15,691	15,381
89 TOYOTA CRESSIDA			
Lux Sedan	12,937	13,067	12,807
90 VOLKSWAGEN JETTA			
Sedan 4 Dr	8,374	8,458	8,289
89 VOLKSWAGEN JETTA			
Sedan 4 Dr	6,960	7,030	6,889
90 VOLVO			
240 DL Sedan	13,125	13,257	12,996
89 VOLVO			
240 DL Sedan	10,951	11,060	10,841

PRODUCTS/SERVICES

ing that would eventually end up in a landfill.

The Innobulk program consists of a national distributor network which installs and maintains 165- to 5,000-gallon bulk holding tanks at the customer's location. Cleaners are delivered and dispensed directly into the customer's tank by local distributors. The vehicle cleaners are water-based, so waste disposal problems associated with solvents, acids and non-biodegradable products are minimized. *S.C. Johnson & Son, Inc.*

Circle 237 on Inquiry Card

CHILTON'S 1991 EMISSION CONTROL MANUAL (Manual #8154) covers all 1990 and 1991 domestic and import cars, light trucks and vans, plus medium and heavy duty vehicles with gasoline engines. With expanded indexing, the manual

covers complete emission servicing, component-by-component. The manual contains manufacturers' maintenance schedules, timing mark locations and complete vacuum schematics, which makes system application, identification and repair easier and quicker.

Chilton's 1991 manual, in addition to containing general service information, delivers new information to help satisfy California's "BAR 90" requirements that are being adopted by more and more states across the nation. The complete line of Chilton's emission control manuals has coverage for domestic and import vehicles dating back to 1966. *Chilton Book Co.*

Circle 238 on Inquiry Card

THE ACTION CHIPKIT STOPS RUST from spreading, produces repairs that are flush with the rest of the paint, and enables paint chips and scratches to be easily fixed. The kit includes the Eliminator rust remover which has thousands of glass fibers to brush away any surface rust, grime, or wax. Once the surface is prepared, the kit's clear paint sealer is applied to permanently prevent any further rusting or blistering of surrounding paint.

The kit's microfine sanding papers and special flexible sanding block enable the repair to be made smooth and flush. Extrafine polishing compound is included with the kit to bring back the gloss and make a repair that has no visible surface irregularities. The papers and compound also enable removal of minor scrapes and black rub marks. *Pro Motorcar Products.*

Circle 239 on Inquiry Card

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30th ANNIVERSARY
BOBIT PUBLISHING CO.
1961 1991

AUTOMOTIVE FLEET
celebrates its 30th anniversary with its September 1991 issue.

Don't miss this special edition!

GAS PRICES

UNLEADED GAS
Cost Per Gallon

City	Full-Serve	Self-Serve
Jonesboro, AR	140.4¢	119.4¢
Kingman, AZ	173.4	120.4
Long Beach, CA	147.9	101.9
New Haven, CT	146.6	130.6
Orlando, FL	145.2	122.2
Augusta, GA	139.9	107.9
Kauai, HI	169.8	146.9
Des Moines, IA	144.4	118.9
Wichita, KS	154.9	116.9
New Orleans, LA	157.7	118.2
Kalamazoo, MI	165.9	112.9
Butte, MT	136.9	118.4
Roswell, NM	128.4	118.9
Staten Island, NY	139.4	132.9
Enid, OK	138.5	114.0

The average U.S. full-serve gasoline price for the month of July was 138.1 cents per gallon.
The average U.S. self-serve gasoline price for the month of July was 116.2 cents per gallon.
Survey conducted during the first five working days of July 1991.
Supplied by Runzheimer International, Runzheimer Park, Rochester, WI.